

Court File No. CV-13-10331-OOCL

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

B E T W E E N:

8527504 Canada Inc.

Applicant

- and -

Sun Pac Foods Limited

Respondent

APPLICATION UNDER SUBSECTION 243(1) OF *THE BANKRUPTCY AND INSOLVENCY ACT*, R.S.C 1985, c. B-3 AS AMENDED AND SECTION 101 OF THE COURTS OF JUSTICE ACT, R.S.O 1990, c. C. 43, AS AMENDED

SUPPLEMENT TO THE SECOND REPORT OF BDO CANADA LIMITED, IN ITS CAPACITY
AS COURT APPOINTED RECEIVER

May 28, 2014

APPENDICES

- A Mr. Justice McEwen's endorsement dated April 22, 2014
- B Letter from counsel for 852 to Commercial List Office dated April 30, 2014
- C Email from Commercial List Office dated May 1, 2014

Supplement to the Second Report of the Receiver

1. Unless otherwise defined herein, all capitalized terms shall have the meanings ascribed to them in the Second Report of the Receiver dated April 10, 2014 and the Notice of Motion herein.
2. Liquibrands has brought a motion seeking, among other things, an Order (a) lifting the stay of proceedings in the Bridging Action, and (b) declaring that it is entitled to the Surplus Proceeds in priority to 852 (the “**Liquibrands Motion**”).
3. 852 opposes the relief sought by Liquibrands in the Liquibrands Motion.
4. 852 has brought an application to appoint a receiver over all of the properties, assets and undertakings of Liquibrands (the “**852 Application**”).
5. Liquibrands is opposing the relief sought by Liquibrands in the 852 Application.
6. The Receiver, 852 and Liquibrands have agreed to the following:
 - (a) that the Receiver’s distribution motion will proceed on June 3, 2014 with respect to all relief being sought save and except the proposed distribution to 852 (see paragraph 69 of the Second Report);
 - (b) that the Surplus Proceeds shall be held by the Receiver subject to further order of this Court; and
 - (c) that the Liquibrands Motion and the 852 Application will be argued together on August 21, 2014.

7. Attached hereto as **Appendix A** is a copy of Mr. Justice McEwen's endorsement dated April 22, 2014 with respect to the scheduling of the two motion dates.

8. Attached as **Appendix B** is a copy of a letter sent to the Commercial List Office from counsel for 852 dated April 30, 2014 confirming the parties' intentions with respect to the scheduling of the two motions.


9. Attached as **Appendix C** is a copy of a responding email from the Commercial List Office dated May 1, 2014 confirming that Justice McEwen agreed to the changes to the proposed timetable.

10. I confirm that the Liquibrands Motion and the 852 Application are scheduled to be heard on August 21, 2014.

All of which is respectfully submitted this 28th day of May, 2014.

**BDO CANADA LIMITED Court Appointed Receiver of
Sun Pac Food Limited**

Per:

Name:  _____
Blair Davidson, CPA, CA, CBV, CIRP

Title: President